

WC 04-14
Please Date Stamp & Return

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January 15, 2004

VIA HAND DELIVERY

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Wireline Competition Bureau
P.O. Box 358145
Pittsburgh, PA 15251-5145

SWIDLAW
JAN 15 2004

Re: *In re* the Application of RCN Telecom Services, Inc. and Carmel Telephone Services, Inc. for Authorization Pursuant to Section 214 of the Communications Act of 1934, as Amended, to Transfer Control of Certain Telecommunications Assets of RCN Telecom Services, Inc. to Carmel Telephone Services, Inc.

Dear Ms. Dortch.

On behalf of RCN Telecom Services, Inc. ("RCN") and Carmel Telephone Services, Inc. ("CarmelTel") (together, "Applicants"), enclosed please find an original and six (6) copies of an application for Commission approval to transfer certain telecommunications assets of RCN to CarmelTel

Pursuant to Section 63.04(b) of the Commission's rules, Applicants submit this filing as a combined domestic section 214 transfer of assets application and international section 214 transfer of assets application ("Combined Application"). Applicants are simultaneously filing the Combined Application with the International Bureau, in accordance with the Commission's rules.

Applicants have included credit card information on the Form 159 that accompanies this application in order to pay the \$860.00 filing fee required for this application under line 2.b of Section 1.1105 of the Commission's rules.

Marlene H. Dortch, Secretary
January 15 , 2004
Page 2

Please date-stamp the enclosed extra copy of this filing and return it in the envelope provided. Please do not hesitate to contract us if you have any questions regarding this filing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Brett P. Ferencak".

Russell M. Blau
Brett P. Ferencak

Counsel for RCN Telecom Services, Inc.

Enclosures

cc: Joseph Kahl (RCN)
Graig Bremer (CarmelTel)
Keith J. Roland

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Approved by OMB
3060-0589

Page 1 of 4

(1) LOCK BOX # 358145		SPECIAL USE ONLY	
		FCC USE ONLY	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) Keith J. Roland		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$860.00	
(4) STREET ADDRESS LINE NO 1 Roland, Fogal, Koblenz & Petroccione, LLP			
(5) STREET ADDRESS LINE NO 2 1 Columbia Place			
(6) CITY Albany		(7) STATE NY	(8) ZIP CODE 12207
(9) DAYTIME TELEPHONE NUMBER (include area code) (518) 434-8112		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0005023338		(12) FCC USE ONLY	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME Carmel Telephone Services, Inc.			
(14) STREET ADDRESS LINE NO 1 140 East Market Street			
(15) STREET ADDRESS LINE NO 2			
(16) CITY York		(17) STATE PA	(18) ZIP CODE 17401
(19) DAYTIME TELEPHONE NUMBER (include area code) (717) 852-2305		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0010134658		(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC) \$860.00	(27A) TOTAL FEE \$860.00	FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2	

FEDERAL COMMUNICATIONS COMMISSION REMITTANCE ADVICE (CONTINUATION SHEET) Page No. <u>2</u> of <u>2</u>		SPECIAL USE FCC USE ONLY
USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT SECTION BB - ADDITIONAL APPLICANT INFORMATION		
(13) APPLICANT NAME RCN Telecom Services, Inc.		
(14) STREET ADDRESS LINE NO 1 105 Carnegie Center		
(15) STREET ADDRESS LINE NO 2		
(16) CITY Princeton	(17) STATE NJ	(18) ZIP CODE 08540
(19) DAYTIME TELEPHONE NUMBER (include area code) 800-746-4726		(20) COUNTRY CODE (if not in U.S.A.)
FCC REGISTRATION NUMBER (FRN) REQUIRED		
(21) APPLICANT (FRN) 0003252426		(22) FCC USE ONLY
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET		
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE	(25A) QUANTITY
(26A) FEE DUE FOR (PTC)	(27A) TOTAL FEE	FCC USE ONLY
(28A) FCC CODE 1		(29A) FCC CODE 2
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY
(28B) FCC CODE 1		(29B) FCC CODE 2
(23C) CALL SIGN/OTHER ID	(24C) PAYMENT TYPE CODE	(25C) QUANTITY
(26C) FEE DUE FOR (PTC)	(27C) TOTAL FEE	FCC USE ONLY
(28C) FCC CODE 1		(29C) FCC CODE 2
(23D) CALL SIGN/OTHER ID	(24D) PAYMENT TYPE CODE	(25D) QUANTITY
(26D) FEE DUE FOR (PTC)	(27D) TOTAL FEE	FCC USE ONLY
(28D) FCC CODE 1		(29D) FCC CODE 2
(23E) CALL SIGN/OTHER ID	(24E) PAYMENT TYPE CODE	(25E) QUANTITY
(26E) FEE DUE FOR (PTC)	(27E) TOTAL FEE	FCC USE ONLY
(28E) FCC CODE 1		(29E) FCC CODE 2
(23F) CALL SIGN/OTHER ID	(24F) PAYMENT TYPE CODE	(25F) QUANTITY
(26F) FEE DUE FOR (PTC)	(27F) TOTAL FEE	FCC USE ONLY
(28F) FCC CODE 1		(29F) FCC CODE 2

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of the Application of)
)

RCN TELECOM SERVICES, INC.)

and)

CARMEL TELEPHONE SERVICES, INC.)
)

For Authorization Pursuant to Section 214 of the)
Communications Act of 1934, as Amended, to)
Transfer Control of Certain Telecommunications)
Assets of RCN Telecom Services, Inc. to)
Carmel Telephone Services, Inc.)

WB Docket No. 04-_____

File No ITC-T/C-2004-____

APPLICATION

Carmel Telephone Services, Inc. ("CarmelTel") and RCN Telecom Services, Inc. ("RCN") (together "Applicants"), through their undersigned counsel, hereby request authorization pursuant to Section 214 of the Communications Act of 1934, as amended,¹ and sections 63.04 and 63.24 of the Commission's rules,² to enable CarmelTel to acquire certain New York operations of RCN identified in this Application, including a portion of RCN's interstate and international long distance customer base and the assets associated with those operations

¹ 47 U.S.C. § 214 (the "Act").

² 47 C.F.R. §§ 63.04 & 63.24 This combined domestic and international 214 application is being filed pursuant to the FCC's new rules under section 63.04 and 63.24. See In the Matter of Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations, Report and Order, CC Docket No. 01-150 (rel. Mar. 21, 2002).

("Assets"). This proposed transaction will not result in a loss or impairment of service, and thus, this application is being filed pursuant to sections 63.24 and 63.04 of the Commission's rules.³

As set forth in greater detail below, RCN and Susquehanna Cable Co. entered into an Asset Purchase Agreement ("Agreement") dated as of July 10, 2003, by which RCN will sell to Susquehanna Cable Co.'s subsidiary, CarmelTel, RCN's multiservice communications operations, including the broadband and telephone services, located in and around Carmel, New York.

In support of this Application, Applicants state as follows:

II. DESCRIPTION OF APPLICANTS

A. RCN Telecom Services, Inc.

RCN is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania with principal offices located at 105 Carnegie Center, Princeton, New Jersey 08540. RCN is a wholly owned subsidiary of RCN Corporation, a publicly traded Delaware corporation. RCN and its affiliates provide video, data and voice services in the Boston, New York, Philadelphia/Lehigh Valley, Chicago, San Francisco, and Washington, D.C. metropolitan markets.

B. Carmel Telephone Services, Inc.

CarmelTel is a corporation organized and existing under the laws of the State of New York with offices at 140 E. Market Street, York, Pennsylvania 17401. CarmelTel is a subsidiary of Susquehanna Cable Co., which in turn is a subsidiary of Susquehanna Media Co. All of the common stock of Susquehanna Media Co. is owned by Susquehanna Pfaltzgraff Co., a privately held corporation. Susquehanna Cable Co. is currently a leader in delivering leading-edge technology to cable and broadband customers and is in the process of expanding its product

³ 47 C.F.R. §§ 63.04 & 63.18(e)(3) See In the Matter of Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations, Report and Order, CC Docket No. 01-150 (rel. Mar. 21, 2002).

offerings to telephone services. Advanced hybrid fiber optic and coaxial networks are in place or are under construction today in nearly 90% of its service areas, and are anticipated to be fully deployed within the next two (2) years. These high-capacity broadband networks will allow Susquehanna Cable, through its subsidiaries, including CarmelTel, to be a premier provider of video, data and voice services to consumers and businesses in the communities that it serves.

III. DESCRIPTION OF THE TRANSACTION

Through the proposed transaction, CarmelTel proposes to acquire the telecommunications assets and almost all the business of RCN in the communities listed in Exhibit A (the "Affected Service Area"). Specifically, the assets to be acquired by CarmelTel include, among other things, the regulated communications assets associated with RCN's facilities-based telecommunications operations in the Affected Service Area, including the associated telecommunications equipment and almost all local and long distance customers and customer accounts of RCN. Such assets include, but are not limited to, inventory, equipment, telephone plant, accounts, general intangibles, supplies, contract rights, investment property, franchise rights, and customer contracts used or useful in the offering of telecommunications services. Following consummation of the transaction, and under a transition services agreement to be signed at or before closing, RCN will provide some administrative services, including billing and customer service, to the affected customers, as an agent for CarmelTel, during a transitional period not to exceed twelve (12) months. At all times after the consummation of the transaction, CarmelTel will be the carrier of record for these customers.

As the transaction only involves RCN's operations in the Affected Service Area, RCN will continue to provide high-quality telephone services in its other service areas in the State of New

York, including Manhattan and Queens, as well as other states, pursuant to its existing authorization from the Commission.

Upon the transfer of the facilities-based customers to CarmelTel, CarmelTel will provide service to these customers under comparable rates, terms and conditions as currently being provided by RCN. The transaction will therefore be (other than the change in the name of their service provider) virtually transparent to these customers.

IV. APPLICANTS' REQUEST FOR STREAMLINED TREATMENT UNDER SECTIONS 63.03 AND 63.12 OF THE COMMISSION'S RULES

For the reasons set forth below, Applicants respectfully submit that the requests for Section 214 authorization set forth herein qualify for treatment under the Commission's streamlined procedures set forth in Sections 63.03 and 63.12 of the Commission's rules.

A. Request for Section 214 authorization pursuant to Section 63.24 to transfer certain telecommunications assets of RCN to CarmelTel

Applicants request authority to transfer certain New York telecommunications assets of RCN to CarmelTel. Applicants submit that CarmelTel has no affiliation with, and itself is not, a foreign carrier in any country where it intends to provide service. CarmelTel therefore qualifies for a presumption of non-dominance under Section 63.10(a)(1) of the Commission's rules.⁴ Accordingly, this Application qualifies for streamlined processing pursuant to Section 63.12 of the Commission's rules.

B. Request for Section 214 authorization pursuant to Section 63.04 to transfer certain telecommunications assets of RCN to CarmelTel

Applicants submit that the proposed transaction would result in CarmelTel and its affiliates having a market share in the interstate, interexchange market of less than 10 percent, and CarmelTel

⁴ 47 C.F.R. § 63.10(a)(1).

would provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction. Further, neither of the Applicants, or their affiliates, are dominant with respect to any service. Accordingly, this Application qualifies for streamlined processing pursuant to Section 63.03 of the Commission's rules.

V. INFORMATION REQUIRED BY SECTIONS 63.24

Applicants submit the following information in support of their requests for Section 214 authorization pursuant to Section 63.24 of the Commission's rules.

(a) Name, Address and Telephone Number of Each Applicant

Transferor:

RCN Telecom Services, Inc
105 Carnegie Center
Princeton, New Jersey 08540
Tel: (800) RING-RCN
(800) 746-4726
FRN: 0003253426

Transferee:

Carmel Telephone Services, Inc.
140 E. Market Street
York, Pennsylvania 17401
Tel: (717) 852-2305
FRN: 0010134658

(b) State of Organization

Transferor: RCN is organized under the laws of the Commonwealth of Pennsylvania

Transferees: CarmelTel is organized under the laws of the State of New York.

(c) Contact persons for this Application

Questions or inquiries concerning this Application may be directed to:

Counsel for RCN:

Russell M. Blau
Brett P. Ferenczak
Swidler Berlin Shereff Friedman, LLP
3000 K Street, N.W., Suite 300
Washington, D.C. 20007-5116
Tel. (202) 424-7500
Fax: (202) 424-7643
Email: RMBlau@swidlaw.com
BPFerenczak@swidlaw.com

Counsel for CarmelTel:

Keith J. Roland
Roland, Fogel, Koblenz &
Petroccione, LLP
One Columbia Place
Albany, NY 12207
Tel: (518) 434-8112
Fax: (518) 434-3232
Email: kroland@rfkplaw.com

With copies to:

For RCN:

Joseph Kahl
Director of Regulatory Affairs
RCN Telecom Services, Inc.
105 Carnegie Center
Princeton, NJ 08540-615
Tel: (609) 734-3827
Fax: (609) 734-6167
Email: Joseph.Kahl@rcn.net

For CarmelTel:

John Ramirez
VP Data & Telephony
Susquehanna Communications
Susquehanna Commerce Center
221 W. Philadelphia Street
Box 1069
York, PA 17405-1069
Tel: (717) 852-2392
Fax: (717) 771-1439
Email: jramirez@suscom.com

(d) Section 214 Authorizations

Transferor: RCN is authorized to provide domestic interstate common carrier services pursuant to blanket authority under Section 63.01 of the Commission's rules. RCN also holds international Section 214 authority to provide global facilities-based and global resale service.⁵

Transferee: CarmelTel is authorized to provide domestic interstate common carrier services pursuant to blanket authority under Section 63.01 of the Commission's rules. CarmelTel intends to file, within two business days, an application for international section 214 authority to provide global facilities-based and global resale services.

⁵ See FCC File No ITC-214-19961004-00489.

(e)(3) Applicants request authority for CarmelTel to acquire certain telecommunications assets, including the customer base served by those assets, of RCN in and around the Carmel, New York area.

(h) The following entities own or control ten percent (10%) or more of the equity of Carmel Telephone Services, Inc. ("CarmelTel"):

Name: Susquehanna Cable Co.
Address: 140 E. Market Street
York, PA 17401
Citizenship: U.S.
Percentage Owned: 82.25%
Principal Business: Communications

Name: Comcast Corp.
Address: 1500 Market Street
Philadelphia, PA 19102
Citizenship: U.S.
Percentage Owned: 17.75%
Principal Business: Communications

The following entities own or control the equity of Susquehanna Cable Co., resulting in an indirect ownership of 10% or more in CarmelTel:

Name: Susquehanna Media Co.
Address: 140 E Market Street
York, PA 17401
Citizenship: U.S.
Percentage Owned: 85%
Principal Business: Holding Company for Media Investments

Name: Comcast Corp.
Address: 1500 Market Street
Philadelphia, PA 19102
Citizenship: U.S.
Percentage Owned: 15%
Principal Business: Communications

The following entity owns or controls the equity of Susquehanna Media Co., resulting in an indirect ownership of 10% or more in CarmelTel:

Name: Susquehanna Pfaltzgraff Co.
Address: 140 E. Market Street
York, PA 17401
Citizenship: U.S.
Percentage Owned: 100%
Principal Business: Holding Company for Media and Dinnerware Companies

The following entities own or control the equity of Susquehanna Pfaltzgraff Co., resulting in an indirect ownership of 10% or more in CarmelTel:

Name: Louis J. Appell Residuary Trust
fbo Louis J. Appell, Jr.
Address: 140 East Market Street
York, PA 17401
Citizenship: N/A
Percentage Owned: 23.20%
Principal Business: Trust

Name: Louis J. Appell Residuary Trust
fbo Helen A. Norton
Address: 140 East Market St.
York, PA 17401
Citizenship: N/A
Percentage Owned: 23.44%
Principal Business: Trust

Name: Louis J. Appell Residuary Trust
fbo George N. Appell & his Descendants
Address: 140 East Market Street
York, PA 17401
Citizenship: N/A
Percentage Owned: 19.76%
Principal Business: Trust

Name: State Street Bank and Trust Co., Trustee of the
Susquehanna Pfaltzgraff Co. Employee Stock
Ownership Plan
Address: State Street Financial Center
One Lincoln Center
Boston, MA 20119
Citizenship: N/A
Percentage Owned: 25.29%
Principal Business: Trustee

With respect to Comcast Corporation, Brian Robert, President and Chief Executive Officers of Comcast hold 100% of Comcast's Class B common shares which equates to 33 1/3% of all voting common shares but does not equate to an economic interest in excess of 10%.

No other entity holds a 10% or greater direct or indirect interest in CarmelTel.

CarmelTel does not have any interlocking directorates with a foreign carrier.

The following entity owns or control ten percent (10%) or more of the equity of RCN Telecom Services, Inc. ("RCN"):

Name: RCN Corporation ("RCN Corp.")
Address: 105 Carnegie Center
Princeton, N.J. 08540
Citizenship: U.S.
Percentage Owned: 100%
Principal Business: Telecommunications

The following entities own or control the equity of RCN Corp., resulting in an indirect ownership of 10% or more in RCN:⁶

Name: Level 3 Delaware Holdings, Inc.
Address: 1025 Eldorado Blvd.
Broomfield, CO 80021
Citizenship: U.S.
Percentage Owned: approximately 24%
Principal Business: Holding Company

Name: Vulcan Ventures, Inc.
Address: 505 5th Avenue South
Seattle, WA 98104
Citizenship: U.S.
Percentage Owned: approximately 25%
Principal Business: Investment

Name: NSTAR
Address: 800 Boylston Street
Boston, MA 02199
Citizenship: U.S.
Percentage Owned: approximately 11%
Principal Business: Energy

Name: Red Basin LLC
Address: c/o Fraser Stryker
500 Energy Plaza
409 South 17th Street
Omaha, NE 68102
Attn: John Boyer, Thomas Flaherty
Citizenship: U.S.
Percentage Owned: approximately 12%
Principal Business: Family Investment Business

⁶ This ownership information for RCN Corp. is current as of December 23, 2003. RCN Corp. is currently evaluating the effect of certain actions taken by NSTAR and Vulcan Ventures, Inc. since that date. To the extent requested by the Commission, RCN will update this ownership information as soon it is available.

The following entity owns or controls Level 3 Delaware Holdings, Inc., resulting in an indirect ownership of 10% or more in RCN:

Name: Level 3 Telecom Holdings, Inc.
Address: 1025 Eldorado Blvd.
Broomfield, CO 80021
Citizenship: U.S.
Percentage Owned: 100%
Principal Business: Holding Company

The following entity indirectly owns or controls Level 3 Communications, Inc., resulting in an indirect ownership of 10% or more in RCN:

Name: Level 3 Telecom Holdings, Inc.
Address: 1025 Eldorado Blvd.
Broomfield, CO 80021
Citizenship: U.S.
Percentage Owned: 100%
Principal Business: Holding Company

The following individuals and entities own or control Red Basin LLC, resulting in an indirect ownership of 10% or more in RCN:

Name: Walter Scott Jr. and certain family members and trusts
Address: c/o Fraser Stryker
500 Energy Plaza
409 South 17th Street
Omaha, NE 68102
Attn: John Boyer, Thomas Flaherty
Citizenship: U.S.
Principal Business: Individuals and Trusts

No other entity holds a 10% or greater direct or indirect interest in RCN Telecom Services, Inc.

- (i) By the attached certification, CarmelTel certifies that it is not a foreign carrier, as defined in Section 63.09(d) of the Commission's rules. In addition, CarmelTel certifies that it is not affiliated with a foreign carrier within the meaning of Section 63.09(e) of the Commission's rules.
- (j) By the attached certification, CarmelTel certifies that it does not seek to provide international telecommunications services to any destination country to which paragraphs (j)(1)-4 of Section 63.18 of the Commission's Rules apply.
- (k) Not applicable.
- (l) Not applicable.

- (m) Not applicable.
- (n) By the attached certification, CarmelTel certifies that it has not agreed to accept special concessions, as defined in Section 63.14(b) of the Commission's Rules, directly or indirectly, from any foreign carrier where the foreign carrier, as defined in Section 63.09(d) of the Commission's Rules, with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market, and will not enter into such agreements in the future.
- (o) By the attached certification CarmelTel certifies, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853a), that no party to this Joint Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988
- (p) Applicants submit that CarmelTel has no affiliation with, and itself is not, a foreign carrier in any country where it intends to provide service. CarmelTel therefore qualifies for a presumption of non-dominance under Section 63.10(a)(1) of the Commission's rules. Accordingly, this Application qualifies for streamlined processing pursuant to Section 63.12 of the Commission's rules.

VI. INFORMATION REQUIRED BY SECTION 63.04

With respect to Applicants' request for domestic Section 214 authority pursuant to Section 63.04 of the Commission's rules to transfer certain telecommunications assets of RCN to CarmelTel, attached hereto as **Attachment 1** is the information required under paragraphs (a)(6) through (a)(12) of Section 63.04 of the Commission's rules.

VII. CONCLUSION

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application.

Respectfully submitted,

By: Brett P. Ferenczak
Russell M. Blau
Brett P. Ferenczak
SWIDLER BERLIN SHEREFF
FRIEDMAN, LLP
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COUNSEL FOR RCN TELECOM
SERVICES, INC.

By: Keith J. Roland
Keith J. Roland
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Petroccione, LLP
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Tel: (518) 434-8112
Fax: (518) 434-3232
Email: kroland@rfkplaw.com

COUNSEL FOR CARMEL TELEPHONE
SERVICES, INC.

Dated: January 15, 2004

ATTACHMENT 1
INFORMATION REQUIRED BY SECTION 63.04

INFORMATION REQUIRED BY SECTION 63.04

Pursuant to Section 63.04(b) of the Commission's rules to transfer certain telecommunications assets of RCN to CarmelTel, the information required under paragraphs (a)(6) through (a)(12) of Section 63.04 of the Commission's rules is provided below:

(a)(6) Description of the Transaction

The proposed transaction is described in Section III of the application to which this Attachment 1 is attached.

(a)(7) Geographic Areas Affected

RCN is transferring to CarmelTel, its facilities-based telecommunications operation located in and around Carmel, New York. Specifically, Exhibit A provides a list of the communities where RCN's business is being transferred to CarmelTel ("Affected Service Areas"). CarmelTel does not currently offer telecommunications service in the Carmel, New York, or any other, area.

(a)(8) Application is Qualified for Streamlined Processing

Applicants submit that the proposed transaction would result in CarmelTel, and its affiliates, having a market share in the interstate, interexchange market of substantially less than 10 percent, and CarmelTel would provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction. Further, neither of the Applicants, nor their affiliates, are dominant with respect to any service. Accordingly, this Application qualifies for streamlined processing pursuant to Section 63.03 of the Commission's rules.